FINANCE MEMORANDUM

TO: All Department Heads

FROM: Laurel A. Johnston /s/
       Acting Director of Finance

SUBJECT: Update of Revenue Estimates

January 12, 2018

The Department of Budget and Finance (B&F) compiles and reports the State's revenues to the Council on Revenues (Council) as required by Section 37-111, HRS. The Council submits its report on projections of tax and non-tax revenues to the Governor and the Legislature for their use in making budget decisions. In anticipation of the Council's next meeting, we are requesting an update of your department’s revenue projections.

All departments are required to use the online system to prepare their updates. If you have new personnel who need access to e-Rev, please send an e-mail message to donovan.y.chun@hawaii.gov with the full names of new users of the system.

Please note that we have discontinued printing and sending out revenue worksheets. Departments may print revenue worksheets directly from the eRevenue system as necessary. If your department receives or anticipates receipt of revenues, please add the new revenues through the online system. If your department has revenue sources that have terminated, estimate forms should be submitted to the Budget, Program Planning and Management Division (BPPMD) for deletion from e-Rev.

To maintain alignment of the revenue reporting system with the Federal Awards Management System, departments are requested to review and update federal fund revenue worksheets in e-Rev as may be necessary. This includes using the correct means of financing (MOF) classifications of N and P (MOF N includes all major recurring federal awards and MOF P includes all other federal awards), and inputting the information into e-Rev by parent account (if assigned to only one specific grant award) or sub-account assigned to an individual grant award, as appropriate. In cases where the parent account is for more than one grant award, departments
should transition their data currently reported at the parent account level to the
sub-account level. Federal awards which will be transitioned to sub-account level
reporting and new federal fund awards not in e-Rev as of June 30, 2015, will need
new revenue worksheets with the appropriate source of funds, appropriation symbol,
description and revenue estimates.

Revenue estimates should be reported in the year that they are expected to be
received. For competitive grants that are (usually) non-recurring, revenue projections
should be limited to the life of the grant. For recurring grants, estimates should be
made for the out-years as well. In addition, please review your estimates to ensure
that they are realistic.

Also, please remember that the amounts for the last four out-years (i.e., FYs 21-24)
should be rounded to the nearest thousand. For example, revenues of $2,800,000
should be input as $2,800 for FYs 21, 22, 23 and 24 in e-Rev.

To confirm your department’s status for this reporting period, please return the
attached sample transmittal (Attachment B) as soon as possible, but no later than
Friday, February 9, 2018, to BPPMD. After this date, e-Rev will be inaccessible until
the next update period in order for BPPMD to prepare reports for the Council.

Because the revenues reported during this period will impact the Legislature’s
deliberations on the FY 18 Executive Supplemental Budget, it is imperative that all
revenues are identified and reported accurately. We appreciate your continued
cooperation in updating your estimates in a timely manner. If there are any
questions, please have your staff contact Mr. Neal Miyahira, Administrator of
BPPMD, at 586-1530.

Attachments
ATTACHMENT B
(Due to BPPMD by February 9, 2018)

TRANSMITTAL

DATE ______________________

TO: Mr. Neal Miyahira, Administrator
    Budget, Program Planning and Management Division
    Department of Budget and Finance

FROM: ____________________________________________

SUBJECT: REVENUE ESTIMATES

( ) No changes are required

( ) Changes were made using e-Rev

( ) Changes are attached (e.g., sheets to be deleted, etc.)

If there are questions, please call __________________________
at ________________________.